

STATE OF MONTANA TERM CONTRACT

Department of Administration
State Procurement Bureau
Room 165 Mitchell Building
PO Box 200135
Helena, MT 59620-0135

Phone: (406) 444-2575 Fax: (406) 444-2529

T.C. # SPB03-34B

CELLULAR TELEPHONE SERVICES

CONTRACT TERM	FROM	July 1, 2007	CONTRACT YEAR	NEW ()
	TO	June 30, 2008		RENEW (x) 3 rd Renewal, 6 th Year
VENDOR ADDRESS	Alltel Corporation One Allied Dr. Little Rock, AR 72202 Local mailing address: Alltel 3075 N. Reserve St., Ste L Missoula, MT 59808			
ATTN:	Kati Patterson / Jay Ortman			
PHONE:	(501) 905-8000 Corporate Office (406) 240-3911 Local			
FAX:	(406) 549-4830			

PRICES: See Attachments

DELIVERY: 2-4 Days ARO

F.O.B.: Destination

TERMS: Net 30 days

REMARKS: Amendment 9

Please see attachment A for Voice and Data Plans and Attachment B for Contact information.

www.alltelb2b.com/montana/

[EquipmentSTMT.xls](#)

Rev. 03/15/07

IFB/RFP No:

RFP # 02-514B

Brad Sanders, Contracts Officer

AUTHORIZED SIGNATURE

STATE OF MONTANA - TERM CONTRACT

Standard Terms and Conditions

By submitting a bid, proposal, or limited solicitation, or acceptance of a contract, the vendor agrees to the following binding provisions:

ACCEPTANCE/REJECTION OF BIDS, PROPOSALS, OR LIMITED SOLICITATION RESPONSES: The State reserves the right to accept or reject any or all bids, proposals, or limited solicitation responses, wholly or in part, and to make awards in any manner deemed in the best interest of the State. Bids, proposals, and limited solicitation responses will be firm for 30 days, unless stated otherwise in the text of the invitation for bid, request for proposal, or limited solicitation.

ACCESS AND RETENTION OF RECORDS: The contractor agrees to provide the department, Legislative Auditor, or their authorized agents, access to any records necessary to determine contract compliance (Mont. Code Ann. § 18-1-118). The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the State of Montana or third party.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the department. (Mont. Code Ann. § 18-4-141.)

AUTHORITY: The following bid, request for proposal, limited solicitation, or contract is issued in accordance with Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

COMPLIANCE WITH LAWS: The contractor must, in performance of work under the contract, fully comply with all applicable federal, state, or local laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the contractor subjects subcontractors to the same provision. In accordance with section 49-3-207, MCA, the contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

CONFORMANCE WITH CONTRACT: No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without prior written consent of the State Procurement Bureau. Supplies delivered which do not conform to the contract terms, conditions, and specifications may be rejected and returned at the contractor's expense.

DEBARMENT: The contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the contractor cannot certify this statement, attach a written explanation for review by the State.

DISABILITY ACCOMMODATIONS: The State of Montana does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals, who need aids, alternative document formats, or services for effective communications or other disability-related accommodations in the programs and services offered, are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

FACSIMILE RESPONSES: Facsimile responses will be accepted for invitations for bids, small purchases or limited solicitations ONLY if they are completely received by the State Procurement Bureau prior to the time set

for receipt. Bids, or portions thereof, received after the due time will not be considered. Facsimile responses to requests for proposals are **ONLY** accepted on an exception basis with prior approval of the procurement officer.

FAILURE TO HONOR BID/PROPOSAL: If a bidder/offeror to whom a contract is awarded refuses to accept the award (PO/contract) or, fails to deliver in accordance with the contract terms and conditions, the department may, in its discretion, suspend the bidder/offeror for a period of time from entering into any contracts with the State of Montana.

HOLD HARMLESS/INDEMNIFICATION: The contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this agreement.

INTELLECTUAL PROPERTY: All patents and other legal rights in or to inventions arising out of activities funded in whole or in part by the contract must be available to the State for royalty-free and nonexclusive licensing. The contractor shall notify the State in writing of any invention conceived or reduced to practice in the course of performance of the contract. The State shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish or otherwise use and authorize others to use, copyrightable property created under the contract.

LATE BIDS AND PROPOSALS: Regardless of cause, late bids and proposals will not be accepted and will automatically be disqualified from further consideration. It shall be solely the vendor's risk to assure delivery at the designated office by the designated time. Late bids and proposals will not be opened and may be returned to the vendor at the expense of the vendor or destroyed if requested.

PAYMENT TERM: All payment terms will be computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted, the State is allowed 30 days to pay such invoices.

RECIPROCAL PREFERENCE: The State of Montana applies a reciprocal preference against a vendor submitting a bid from a state or country that grants a residency preference to its resident businesses. A reciprocal preference is only applied to an invitation for bid for supplies or an invitation for bid for nonconstruction services for public works as defined in section 18-2-401(9), MCA, and then only if federal funds are not involved. For a list of states that grant resident preference, see <http://www.discoveringmontana.com/doa/gsd> under Reciprocal Preference.

REFERENCE TO CONTRACT: The contract (Purchase Order) number **MUST** appear on all invoices, packing lists, packages and correspondence pertaining to the contract.

REGISTRATION WITH THE SECRETARY OF STATE: Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with sections 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://www.state.mt.us/sos>.

SEPARABILITY CLAUSE: A declaration by any court, or any other binding legal source, that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually dependent.

SHIPPING: Supplies shall be shipped prepaid, F.O.B. Destination, unless the contract specifies otherwise.

SOLICITATION DOCUMENT EXAMINATION: Vendors shall promptly notify the State of any ambiguity, inconsistency, or error, which they may discover upon examination of a solicitation document.

TAX EXEMPTION: The State of Montana is exempt from Federal Excise Taxes (#81-0302402).

TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED: Contractor acknowledges that no state funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (Mont. Code Ann. § 18-5-603.) Contact the State Procurement Bureau at (406) 444-2575 for more information concerning nonvisual access standards.

TERMINATION OF CONTRACT: Unless otherwise stated, the State may, by written notice to the contractor, terminate the contract in whole or in part at any time the contractor fails to perform the contract.

UNAVAILABILITY OF FUNDING: The contracting agency, at its sole discretion, may terminate or reduce the scope of the contract if available funding is reduced for any reason. (Mont. Code Ann. § 18-4-313 (3).)

U.S. FUNDS: All prices and payments must be in U.S. dollars.

VENUE: This solicitation is governed by the laws of Montana. The parties agree that any litigation concerning this bid, request for proposal, limited solicitation, or subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (Mont. Code Ann. § 18-1-401.)

WARRANTIES: The contractor warrants that items offered will conform to the specifications requested, to be fit and sufficient for the purpose manufactured, of good material and workmanship and free from defect. Items offered must be new and unused and of the latest model or manufacture, unless otherwise specified by the State. They shall be equal in quality and performance to those indicated herein. Descriptions used herein are specified solely for the purpose of indicating standards of quality, performance and/or use desired. Exceptions will be rejected.

Revised 3/02

Attachment A
State of Montana Wireless Telephone Solutions
Equipment and Services Contract #SPB03-34B With Alltel

State of Montana Plans

Highlights:

Free Long Distance in Montana

**Pooling available between State of Montana
Plans**

First Incoming Minute Free

Price Plan	Montana Low Usage	Montana Normal Usage	Montana High Usage
Access Price	\$13.99	\$24.99	\$49.99
Included Anytime Minutes	105	350	2,000
*Night & Weekend Minutes	-	500	500
Mobile to Mobile Minutes	100	250	250
Post Package Minute Rate	\$0.15	\$0.10	\$0.10
Included Features	Call Waiting, Call Forwarding, Three Way Calling, Caller Id, No Answer Transfer, Detailed Billing, Basic Voice Mail and Incoming Text Messages		

*Night minutes begin Mon. - Thurs. 8 p.m. - 6 a.m. Weekend minutes begin Fri. 8 p.m. - Sun 11:59 a.m.

Long Distance while in Montana to any state - \$0.10 per minute

Roaming outside Montana - \$0.35 per minute

Roaming Toll outside Montana - \$0.10 per minute

Rate plans may be changed at any time without extending the contract

Alltel's Network Guarantee - If you drop a call on Alltel's network we will credit your bill one minute for each dropped call

Phonebook transfer fees will be credited by National Accounts

Free to Roam feature may be added to any line allowing the user No Roaming and No Long Distance charges - See Features section for specific details

Attachment A
State of Montana Wireless Telephone Solutions
Equipment and Services Contract #SPB03-34B With Alltel

Greater Freedom

The Greater Freedom wireless plan from Alltel is the best value for those who keep calls local. You'll receive great coverage in your large local area and when you need to call outside your network, extended coverage is at your fingertips.

Highlights:

Large local coverage area

Best value for local callers

*****Free nationwide long distance**

*****Eligible to receive My Circle**

National Freedom Plans	\$39.99	\$49.99	\$59.99	\$79.99	\$99.99	\$149.99	\$199.99
18% Access Discount	\$7.20	\$9.00	\$10.80	\$14.40	\$18.00	\$27.00	\$36.00
State of Montana Price	\$32.79	\$40.99	\$49.19	\$65.59	\$81.99	\$122.99	\$163.99
Included Anytime Minutes	700	1,000	1,200	1,600	2,200	4,500	6,500
*Night and Weekend Minutes	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
**Mobile-to-Mobile Minutes	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Post Package Minute Rate	\$0.40	\$0.40	\$0.40	\$0.35	\$0.25	\$0.25	\$0.25
Included Features	Call Waiting, Call Forwarding, Three Way Calling, No Answer Transfer, Caller Id, Detailed Billing, Basic Voice Mail						




Calls originating and terminating within the local coverage area use plan minutes and are toll free. Airtime charges may still apply if rate plan minutes are unavailable.

*Night minutes are Mon. - Thurs. 9 p.m. - 5:59 a.m. Weekend minutes are Fri. 9 p.m. - Mon 5:59 a.m. Minutes must be used each month and do not carry over.

**Mobile-to-Mobile minutes apply to calls made to and from Alltel wireless customers that originate and terminate within the plans calling area. Call forwarding, 411 and Voice Mail calls excluded.

***Included on plans \$39.99 and higher

****One subscriber must be on a \$59.99 or higher rate plan.

-  **Rate plans may be changed at any time without extending the contract**
-  **Alltel's Network Guarantee - If you drop a call on Alltel's network we will credit your bill one minute for each dropped call**
-  **Phonebook transfer fees will be credited by National Accounts**

Attachment A
State of Montana Wireless Telephone Solutions
Equipment and Services Contract #SPB03-34B With Alltel

National Freedom

National Freedom from Alltel offers extensive coverage at great rates. With this flexible plan, you're free to make calls to major U.S. cities and surrounding metropolitan areas in the Alltel national network — all without additional roaming or long-distance fees. Greater Freedom plans with Midwest footprint are also available.

Highlights:

Extensive coverage including major U.S. cities

Free long distance to major cities

Free roaming near major cities

National Freedom Map

<http://www.alltel.com/business/wireless/plans/index.html>

***Eligible to receive My Circle

National Freedom Plans	\$39.99	\$49.99	\$79.99	\$99.99	\$149.99	\$199.99
18% Access Discount	\$7.20	\$9.00	\$14.40	\$18.00	\$27.00	\$36.00
State of Montana Price	\$32.79	\$40.99	\$65.59	\$81.99	\$122.99	\$163.99
Included Anytime Minutes	500	1,000	1,400	2,100	4,000	6,000
*Night and Weekend Minutes	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
**Mobile-to-Mobile Minutes	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Post Package Minute Rate	\$0.40	\$0.40	\$0.35	\$0.25	\$0.25	\$0.25
Included Features	Call Waiting, Call Forwarding, Three Way Calling, No Answer Transfer, Caller Id, Detailed Billing, Basic Voice Mail					

The Alltel National Freedom Network covers most U.S. cities. Coverage may not be available in all areas. National Freedom customers calling Puerto Rico coverage area may be subject to long-distance charges.

*Night minutes are Mon. - Thurs. 9 p.m. - 5:59 a.m. Weekend minutes are Fri. 9 p.m. - Mon 5:59 a.m. Minutes must be used each month and do not carry over.

**Mobile-to-Mobile minutes apply to calls made to and from Alltel wireless customers that originate and terminate within the National Freedom network coverage area. Call forwarding, 411 and Voice Mail calls excluded.

***One subscriber must be on a \$59.99 or higher plan.



Rate plans may be changed at any time without extending the contract



Alltel's Network Guarantee - If you drop a call on Alltel's network we will credit your bill one minute for each dropped call



Phonebook transfer fees will be credited by National Accounts

Attachment A
State of Montana Wireless Telephone Solutions
Equipment and Services Contract #SPB03-34B With Alltel

Total Freedom

The Total Freedom wireless plan from Alltel features our largest coverage area and eliminates long-distance and roaming fees in all 50 states. When you connect with Total Freedom, you're free to call from anywhere to anywhere across the entire U.S.

Highlights:

Our largest coverage area

Free nationwide long distance

Free nationwide roaming

***Eligible to receive My Circle

Total Freedom Plans	\$39.99	\$49.99	\$59.99	\$79.99	\$99.99	\$149.99	\$199.99	\$299.99
18% Access Discount	\$7.20	\$9.00	\$10.80	\$14.40	\$18.00	\$27.00	\$36.00	\$54.00
State of Montana Price	\$32.79	\$40.99	\$49.19	\$65.59	\$81.99	\$122.99	\$163.99	\$245.99
Included Anytime Minutes	200	350	500	650	900	1,500	2,000	3,000
*Night and Weekend Minutes	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
**Mobile-to-Mobile Minutes	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Additional Minute Rate	\$0.40	\$0.40	\$0.40	\$0.35	\$0.25	\$0.25	\$0.25	\$0.20
Included Features	Call Waiting, Call Forwarding, Three Way Calling, No Answer Transfer, Caller Id, Detailed Billing, Basic Voice Mail							

Total Freedom Pooling Plans	\$39.99	\$49.99	\$59.99	\$79.99	\$99.99	\$149.99	\$199.99	\$299.99
18% Access Discount	\$7.20	\$9.00	\$10.80	\$14.40	\$18.00	\$27.00	\$36.00	\$54.00
State of Montana Price	\$32.79	\$40.99	\$49.19	\$65.59	\$81.99	\$122.99	\$163.99	\$245.99
Included Anytime Minutes	350	500	600	850	1,200	1,800	2,500	4,000
*Night and Weekend Minutes	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
**Mobile-to-Mobile Minutes	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Post Package Minute Rate	\$0.40	\$0.40	\$0.40	\$0.35	\$0.25	\$0.25	\$0.25	\$0.20
Included Features	Call Waiting, Call Forwarding, Three Way Calling, No Answer Transfer, Caller Id, Detailed Billing, Basic Voice Mail							

Total Freedom Pooling requires a minimum of five lines to pool.

*Night minutes are Mon. - Thurs. 9 p.m. - 5:59 a.m. Weekend minutes are Fri. 9 p.m. - Mon 5:59 a.m. Night and Weekend minutes available in the Total Freedom coverage area.

**Mobile-to-Mobile minutes apply to calls made to and from Alltel wireless customers that originate and terminate within the Total Freedom coverage area. Call forwarding, 411 and Voice Mail calls excluded.

***One subscriber must be on a \$59.99 or higher plan.

➤ ***Rate plans may be changed at any time without extending the contract***

➤ ***Alltel's Network Guarantee - If you drop a call on Alltel's network we will credit your bill one minute for each dropped call***

➤ ***Phonebook transfer fees will be credited by National Accounts***

Attachment A
State of Montana Wireless Telephone Solutions
Equipment and Services Contract #SPB03-34B With Alltel

Additional Features

Highlights:
Available with any State of Montana or Freedom rate plans

Feature	Description	Minutes	State of Montana
My Circle	An Alltel-exclusive offering allowing customers to define who they can call for free...anywhere in the United States.		Available on Freedom plans \$39.99 and higher
Free to Roam	Feature provides 100 roaming minutes	100 per month per mobile	\$10.00
Touch 2 Talk Local	Walkie-Talkie capabilities with T2T approved handset in your local coverage area.	Unlimited Private T2T Min/ Unlimited Group	\$10.00
Touch 2 Talk National	Walkie-Talkie capabilities with T2T approved handset on the nation's largest walkie-talkie network.	Unlimited Private T2T Min/ Unlimited Group	\$10.00
Text Messaging	Receive text messages on your wireless handset originating from a web page, email delivery, or computer paging software.	Incomming free for state of montana	\$0.10 per message
Axcess Message Packs (Video, Text, Picture)	Receive text messages on your wireless handset originating from a web page, email delivery, or computer paging software.	300	\$5.99
Axcess Message Packs (Video, Text, Picture)	Receive text messages on your wireless handset originating from a web page, email delivery, or computer paging software.	750	\$9.99
Axcess Message Packs (Video, Text, Picture)	Receive text messages on your wireless handset originating from a web page, email delivery, or computer paging software.	1500	\$14.99
Axcess Message Pay Per Use (Video, Text, Picture)	Pay per use messaging pack can be used for text, picture, and video messaging. Incoming and outgoing text messages will be \$.10 per message. Incoming and outgoing picture/video messages will be \$.25 per message.		\$0.00
Axcess Message Packs (Video, Text, Picture)	Axcess Msg Pack includes unlimited messages that can be used as text, picture or video.	Unlimited	\$19.99
Mobile Web	Check your company e-mail, track stocks, view weather forecasts, make travel arrangements and more. Simply launch your phone's browser and you're online.		\$5.99
Axcess Enterprise	Provides performance driven, secure network connectivity with static IP, dedicated enterprise class support and optional T1 or VPN security.	Unlimited	\$64.99

Access Enterprise	Provides performance driven, secure network connectivity with static IP, dedicated enterprise class support and optional T1 or VPN security. Additional KB \$0.002	2MB pool	\$15.99
Telemetry	Enables customers to receive data from remote devices. Additional KB \$0.002	2MB pool	\$5.00
Telemetry	Enables customers to receive data from remote devices. Additional KB \$0.002	4MB pool	\$7.00
Telemetry	Enables customers to receive data from remote devices. Additional KB \$0.002	8MB pool	\$10.00
Smartphone Tethering	Gives customers the ability to use their smartphone as a tethered modem to connect their laptop to the internet. Requires AML or Office Sync feature.	Unlimited	\$10.00
Unlimited High Speed Access	Includes Unlimited Free Data Usage	Unlimited	\$54.99
Nationwide Unlimited High Speed Access	Includes Unlimited Free Data Usage	Unlimited	\$59.99
*Blackberry Data	Blackberry with combined BIS/BES, Blackberry Enterprise Solution, and Blackberry Internet Service	Unlimited	\$35.00
**Blackberry Data	Blackberry with combined BIS/BES, Blackberry Enterprise Solution, and Blackberry Internet Service	Unlimited	\$39.99
Office Sync – Personal Edition	Wireless data solution that lets customers access the Internet, check e-mail, and stay connected to important information.	Unlimited	\$39.99
*requires a 2 yr contract and a Freedom plan \$39.99 or higher			
**requires a 2 yr contract, only to be used for plans not meeting \$39.99 price point			

Attachment B
State of Montana Wireless Telephone Solutions
Equipment and Services Contract #SPB03-34B with Alltel



Alltel Contacts for the State of Montana

E-mail or call National Accounts to add lines to an existing account, upgrade equipment, order accessories, add or delete features, or billing inquiries.

National Accounts:

aci.national.accounts@alltel.com

1- 877-501-3813 option 3.

Hours of operation are Monday through Friday 7:00 a.m. to 5:30 p.m. CST

Contact Kati Patterson for rate plan information, new product inquiries, data applications, training, trouble shooting or questions/ and overall management of the contract.

Kati Patterson, Business Solutions Representative

State of Montana/Government Accounts

Cell: (406) 240-3911

Fax: (406) 549-4830

kati.patterson@alltel.com

Contact Paige Tallie for researching billing issues, B2B support or set-up, adjusting credits, reporting requests and building/updating account profiles.

Paige Tallie

Senior Account Analyst

Government and National Accounts

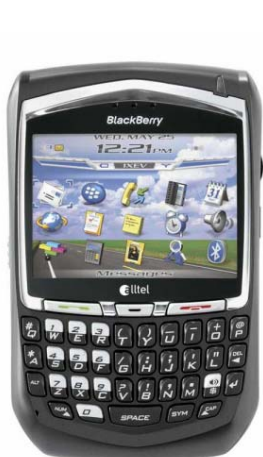
Wk: (501-905-6569

Paige.Tallie@alltel.com

Attachment C
State of Montana Wireless Telephone Solutions
Equipment and Services Contract #SPB03-34B with Alltel Wireless



BlackBerry



8703e



7130e

Accessories are 40% off retail price.

BlackBerry
hardware
purchase

One-time costs	
	\$99 for 7130e with State of MT plans
	\$49 for 7130e with Freedom plans
	\$99 for 8703e with Alltel Freedom plans
	\$187.49 for 8703e with State of MT plans

Voice
Data

Monthly costs	
State of MT Plans	Alltel Freedom Plans
\$13.99 (105 minutes)	
\$24.99 (350 minutes)	\$32.79 (500 minutes)
\$49.99 (2000 minutes)	\$40.99 (1000minutes includes no roaming fees)
\$39.99 (flat-rate)	\$35.00 (flat-rate)

Requires a 24-month contract. Freedom plans include 18% discount on mrc.

To order: Contact Kati Patterson at 406-240-3911 or kati.patterson@alltel.com

**WIRELESS TELEPHONE SOLUTIONS
EQUIPMENT AND SERVICES CONTRACT
WESTERN WIRELESS / ALLTEL**

Cover Page Contract

1. Parties
2. Effective Date, Duration and Renewal
3. Services and Equipment
4. Consideration/Payments
5. Access and Retention of Records
6. Assignment, Transfer and Subcontracting
7. Favorable Prices
8. Hold Harmless/Indemnification
9. Tax Exemption
10. Contract Performance Security
11. Insurance
12. Workers' Compensation/Independent Contractor
13. Intellectual Property
14. Compliance With Laws
15. Contract Termination
16. Liaison and Service of Notices
17. Meetings
18. Contract Management and Implementation
19. Choice of Law and Venue
20. Scope, Amendment and Interpretation
21. Contractor Assessment
22. Agreements
23. Contractor Marketing
24. Execution

**WIRELESS TELEPHONE SOLUTIONS
EQUIPMENT AND SERVICE CONTRACT
WESTERN WIRELESS / ALLTEL**

1. PARTIES

THIS CONTRACT is entered into by and between the State of Montana, Department of Administration, Information Technology Services Division (hereinafter referred to as "ITSD"), on behalf of all state entities and the Montana University System, and Western Wireless Company/Alltel (hereinafter referred to as the "Contractor"). ITSD is located at 118 North Roberts Street, Annex Building, Helena, Montana 59620-0113 and the phone number is (406) 444-2913. Contractor information is as follows:

Fed ID: 34-0868285
Address: Alltel Corporation
One Allied Dr.
Little Rock, AR 72202
Phone: Corporate: (501) 905-8000 Local (406) 240-3911
Fax: (406) 549-4830

THE PARTIES AGREE AS FOLLOWS:

2. EFFECTIVE DATE, DURATION AND RENEWAL

(a) This contract (#SPB03-34B) took effect on July 1, 2002. The Contract shall terminate on June 30, 2007 unless terminated earlier in accordance with the terms of this Contract. The contract is currently in the 5th year, 2nd renewal period.

(b) This contract may, upon mutual agreement between the parties and according to the terms of the existing contract, be extended in one (1) year intervals, or any interval that is advantageous to the State, for a period not to exceed five additional (5) additional years.

3. SERVICES AND EQUIPMENT

Contractor agrees to provide to the State of Montana the Wireless Telephone Equipment and Services described in this contract.

4. CONSIDERATION/PAYMENT

(a) In consideration for the equipment and services to be provided, state entity will pay within 30 days following a 30-day acceptance period, commencing the date the services and equipment are received and operational.

(b) ITSD or state entity may withhold payments to the contractor if the contractor has not performed in accordance with this contract. Such withholding cannot be greater than the additional costs to ITSD or state entity caused by the lack of performance.

5. ACCESS AND RETENTION OF RECORDS

(a) The Contractor agrees to provide ITSD, Legislative Auditor or their authorized agents access to any records necessary to determine contract compliance. (Ref: 18-1-118, MCA)

(b) The Contractor agrees to create and retain records supporting the services rendered for a period of three years with either the completion date of this contract or the conclusion of any claim, litigation or exception relating to this contract taken by the State of Montana or a third party.

6. ASSIGNMENT, TRANSFER AND SUBCONTRACTING

The Contractor shall not assign, transfer or subcontract any portion of this contract without the express written consent of ITSD. (Montana Code Annotated § 18-4-141.)

7. FAVORABLE PRICES

Contractor agrees that, through the term of the initial contract and any agreed-upon extension, ITSD will be entitled to any lower prices made available to any other customer of comparable volume.

8. HOLD HARMLESS/INDEMNIFICATION

The Contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, and causes of action of any kind or character, including the cost of defense, arising in favor of the contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed, or omissions of services or in any way resulting from the acts or omission of the contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this contract.

9. TAX EXEMPTION

The State of Montana is exempt from Federal Excise Taxes (#81-0302402).

10. CONTRACT PERFORMANCE SECURITY

Contract performance security in the form of Surety Bond No. CMS209599 in the amount of \$250,000 has been received by the State Procurement Bureau. All contract performance security, except bond, will be returned to the contractor after successful completion of the contract. This security must remain in effect for the entire contract period including any extensions.

11. INSURANCE

General Requirements: The Contractor shall maintain for the duration of the contract, at its cost, and expense, insurance against claims for injuries to persons or damages to property, including contractual liability which may arise from or in connection with the performance of work by the contractor, agents, employees, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act, or omission.

Primary Requirements: The Contractor's insurance coverage shall be primary insurance as respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be excess of the contractor's insurance and shall not contribute with it.

Specific Requirements for Commercial General Liability: The Contractor shall purchase and maintain Occurrence coverage with combined single limits for bodily injury, personal injury and property damage of \$1,000,000 per occurrence and \$2,000,000.00 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the contractor or its officers, agents, representatives, assigns, or subcontractors.

Additional Insured Status: The State, its officers, officials, employees, and volunteers are to be covered as additional insureds; for liability arising out of activities performed by or on behalf of the

contractor, including the insured's general supervision of the contractor; products and completed operations, premises owned, leased, occupied, or used.

Deductibles and Self-Insured Retentions: Any deductible or self-insured retention must be declared to and approved by the state entity. At the request of the state entity either: 1) The insured shall reduce or eliminate such deductibles or self-insured retentions as respect to the State, its officers, officials, employees, and volunteers, or: 2) The contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

Certificate of Insurance/Endorsements: A certificate of insurance, indicating compliance with the required coverage, has been received by the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. The Contractor must notify the State immediately, of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc.

12. COMPLIANCE WITH THE WORKERS' COMPENSATION ACT

Contractors are required to comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with sections 39-71-120, 39-71-401, and 39-71-405, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither the contractor nor its employees are employees of the State. This insurance/exemption must be valid for the entire contract period. A renewal document must be sent to the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135, upon expiration.

13. INTELLECTUAL PROPERTY

(a) All patents and other legal rights in or to inventions arising out of activities funded in whole or in part by this contract must be available to the State for royalty-free and nonexclusive licensing. The Contractor shall notify the State in writing of any invention conceived or reduced to practice in the course of performance of this contract.

(b) The State shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish or otherwise use and authorize others to use, copyrightable property created under this contract.

14. COMPLIANCE WITH LAWS

The contractor must, in performance of work under this contract, fully comply with all applicable federal, state, or local laws, rules, and regulations including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the contractor subjects subcontractors to the same provision. In accordance with Section 49-3-207, MCA, the contractor agrees that the hiring of persons to perform this contract will be made on the basis of merit and qualifications and there will be no discrimination based upon of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

15. CONTRACT TERMINATION

(a) Unless otherwise stated, ITSD may, by written notice to the contractor, terminate this contract in whole or in part at any time the contractor fails to perform this contract.

(b) ITSD, at its sole discretion, may terminate or reduce the scope of this contract if available funding is reduced for any reason. (Montana Code Annotated § 18-4-313(3).)

16. LIAISON AND SERVICE OF NOTICES

Written notices or complaints will first be directed to the liaison.

(a) Contractor Liaison:

Kati Patterson
Alltel
3075 N. Reserve St., Ste L
Missoula, MT 59808
Telephone: (406) 240-3911
Fax: (406) 549-4830
kati.patterson@alltel.com

(b) ITSD Operations Liaison:

Mike Leone
Network Services Bureau
Information Technology Services Division
Room 203, Mitchell Building
Helena, MT 59620-0113
Telephone: (406) 444-1400
Fax: (406) 444-5545

(c) ITSD Contract Management Liaison:

This Contract is managed by the Information Technology Services Division of the Department of Administration for the State of Montana in accordance with 2-17-501, MCA. Contract management inquires and problems should be addressed to:

Doug Bermingham
Procurement Services Bureau
Information Technology Services Division
Annex Building
118 North Roberts St.
Helena, MT 59620-0113
Telephone: (406) 444-2913
Fax: (406) 444-2701

17. MEETINGS

The Contractor is required to meet with ITSD personnel, or designated representatives, to resolve technical or contractual problems that may occur during the term of the contract. Meetings will occur as problems arise and will be coordinated by ITSD. The Contractor will be given a minimum of three (3) full working days notice of meeting date, time, and location. Face to face meetings are desired. However, at the contractor's option and expense, a conference call meeting may be substituted. Consistent failure to participate in problem resolution meetings (two (2) consecutive missed or rescheduled meetings), or to make a good faith effort to resolve problems, may result in termination of the contract.

18. PROJECT MANAGEMENT AND IMPLEMENTATION

All project management and coordination on behalf of ITSD shall be through a single point of contact designated as the ITSD Project Manager. Contractor shall designate a Contractor Project Manager who will provide the single point of contact for management and coordination of contractor's work. All work performed pursuant to this contract shall be coordinated between the ITSD Project Manager and the Contractor Project Manager.

Mike Leone will be the ITSD Project Manager.
Kati Patterson will be the Contractor Project Manager.

ITSD Project Manager/Contractor Project Manager may not be changed without the written consent of the other Party, which consent may not be unduly or unreasonably withheld.

19. CHOICE OF LAW AND VENUE

This contract is governed by the laws of Montana. The parties agree that any litigation concerning this bid, request for proposal, or subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (See Montana Code Annotated § 18-1-401).

20. SCOPE, AMENDMENT AND INTERPRETATION

(a) This contract consists of 13 numbered pages, Attachments A and B, and any additional pages as required, RFP #02-514B as amended and the contractor's response as amended. In the case of dispute or ambiguity about the minimum levels of performance by the Contractor the order of precedence of document interpretation is in the same order.

(b) These documents contain the entire agreement of the parties. Any enlargement, alteration or modification requires a written amendment signed by both parties.

21. CONTRACTOR ASSESSMENT

The State may make assessments of the contractor's performance. This contract may be cancelled for one or more poor performance assessments. Contractors will have the opportunity to respond to poor performance assessments. The Information Technology Services Division (ITSD) will make any final decision to cancel this contract based on the assessment and any related information, the contractor's response and the severity of any negative performance assessment. The contractor will be notified in writing with a justification of contract cancellation.

22. AGREEMENTS

The State will enter into **one-year** agreements for individual state employee plans under this contract when a new account is established and/or when new benchmark equipment is ordered.

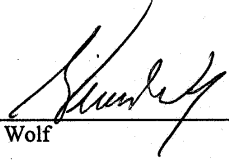
23. CONTRACTOR MARKETING

Contractor will only market equipment and services as per the contract and approved by the ITSD. Contractor may market services **only** to the designated wireless telephone representative for each state entity. ITSD will name the state entity representatives and provide that list to the contractor.

24. EXECUTION

The parties through their authorized agents have executed this contract on the dates set out below:

**Montana Department Of
Administration – Information Technology
Services Division**



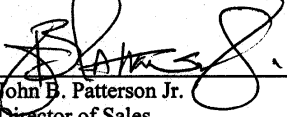
Brian Wolf
CIO



Date

**Western Wireless Corporation/
CellularOne**

3100 Paxson 131st Avenue SE
Bellevue, WA 98005
Federal ID # 91-1648775

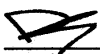


John B. Patterson Jr.
Director of Sales



Date

Approved as to form and legal content:



Legal Counsel
Department of Administration



Date